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RESOLUTION ADOPTED BY THE GENERAL ASSEMBLY

[*on the report of the Second Committee (A/54/586)*]

54/204. Business and development

The General Assembly,

Reaffirming its resolutions 52/209 of 18 December 1997 on business and development and 51/191 of 16 December 1996 on the United Nations Declaration against Corruption and Bribery in International Commercial Transactions,

Noting the adoption of relevant conventions by the International Labour Organization relating to labour,

Recalling the successful outcome of the World Summit for Social Development, including the commitments contained in the Copenhagen Declaration on Social Development[1] and the Programme of Action of the World Summit,[2] and calling for the implementation of those commitments,

Noting the important efforts of the United Nations system to facilitate the active and constructive involvement of the private sector in the development process and the efforts of the Secretary-General to create partnerships with the private sector in this regard,

Recognizing the sovereign right of each State to decide on the development of its private and public sectors in accordance with its priorities,

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[1] *Report of the World Summit for Social Development, Copenhagen, 6-12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution 1, annex I.

[2] Ibid., annex II.

Emphasizing that business and industry, including corporations engaged in international business activities, can contribute substantially to a country's economic and social development and environmental protection, and are important generators of employment and economic growth,

Reaffirming the importance, in the context of national development efforts, of promoting appropriate privatization, competition, entrepreneurship and a supportive legal and fiscal framework for business so as to increase efficiency, economic growth and sustainable development,

Recognizing the important role of small and medium-sized enterprises and micro-financing in supporting economic and social development,

Recognizing also that a dynamic business sector is essential to economic growth, job creation, trade expansion and technology development,

Recognizing further the link among effective, accountable and transparent administration of the public sector, financial transparency in the private sector, investor confidence and the stability of financial systems,

1. *Takes note* of the report of the Secretary-General;[3]

2. *Encourages* Governments, multilateral institutions and the private sector, including corporations engaged in international business activities, to strengthen partnerships so as to advance sustainable development through, *inter alia*, supporting the stable functioning of the international finance and trade system and investment flows, particularly in support of the development efforts of developing countries, as well as countries with economies in transition;

3. *Encourages* Governments to create an environment that enables businesses to conduct their activities in a humane, sustainable and socially responsible way;

4. *Urges* all Governments to create an enabling environment for business and investment, including through sound macroeconomic, fiscal and development policies, the rule of law, anti-corruption and anti-bribery efforts, and transparent business practices that promote efficiency, fairness and competitiveness in international commercial transactions, taking into account the needs of developing countries;

5. *Urges* the private sector, including corporations engaged in international business activities, to pursue orderly and fair business practices while adhering to and promoting the principles of honesty, transparency and accountability in international commercial transactions, with a view to contributing to efforts to create an enabling environment for business and investment;

6. *Requests* the international community, including the business community and relevant international bodies, to consider ways and means of promoting such principles and practices and respect for those practices by multinational companies in their operations in all countries;

7. *Emphasizes* the importance of a supportive international economic environment, including investment and trade, for the promotion of entrepreneurship and privatization;

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[3] A/54/451.

8. *Strongly stresses* the need for adequate resources, including the provision of new and additional resources from all sources, and transfer of technology on favourable terms, *inter alia*, on concessional and preferential terms as mutually agreed, to developing countries, particularly to Africa and the least developed countries, for developing appropriate infrastructure and business services to promote entrepreneurship;

9. *Recognizes* the special development priorities and concerns of developing countries, and in this regard calls for international support for the realization of their development goals, *inter alia*, through the promotion of business and entrepreneurship;

10. *Stresses* the importance of micro-finance, including micro-credit, to people living in poverty, in allowing them to undertake the establishment of micro-enterprises, which in turn generate self-employment and contribute to the achievement of empowerment, particularly of women, and calls for the strengthening of institutions supportive of micro-financing, in particular micro-credit;

11. *Values* the promotion of entrepreneurship, *inter alia*, through the informal sector and micro-enterprises, in the development of small and medium-sized enterprises and industries by various actors throughout civil society, and of privatization, demonopolization and the simplification of administrative procedures;

12. *Stresses* the importance, in the context of establishing and maintaining adequate social safety nets, including assistance to workers, of encouraging investment in human resources through programmes devoted to health, education and job training, and recognizes that such efforts are an integral part of overall poverty reduction strategies;

13. *Encourages* the United Nations Conference on Trade and Development to continue to provide a forum for intergovernmental discussions concerning issues related to private sector development and international flows of investment, with input from representatives of the private sector;

14. *Invites* the United Nations Industrial Development Organization and other relevant United Nations bodies to strengthen further their activities, in particular those concerning Africa and the least developed countries, in the promotion of entrepreneurship development, especially with respect to small and medium-sized enterprises, and calls upon the international community to lend its support, where appropriate, to the United Nations Industrial Development Organization in this regard;

15. *Calls upon* the United Nations funds and programmes, in accordance with their mandates, to continue to strengthen support for the promotion of entrepreneurship and, in their work in implementing the present resolution, to give due consideration to the role of the business sector in development, taking into account the priorities set by each country, while ensuring a gender perspective;

16. *Calls upon* the relevant bodies of the United Nations system, within their respective mandates and agreed work programmes, to continue to assist Member States, at their request, in implementing national programmes to create an enabling environment for business, investment and development;

17. *Stresses* the need to continue to assist developing countries and countries with economies in transition, at their request, in strengthening their capacity to encourage wider participation of the private sector in their economies;

18. *Invites* relevant United Nations organizations, within their mandates and in consultation with Governments, to promote meaningful contributions by business, in both the public and the private sectors, in support of economic growth and sustainable development;

19. *Decides* to include in the provisional agenda of its fifty-sixth session the item entitled "Business and development", and requests the Secretary-General, in cooperation with the relevant United Nations organizations, to submit at that session a report on the implementation of the present resolution.

87th plenary meeting
22 December 1999